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澳門博彩控股有限公司
SJM HOLDINGS LIMITED

incorporated in Hong Kong with limited liability Stock Code : 880

CONNECTED TRANSACTION

ACQUISITION OF PROPERTY IN HENGQIN

THE ACQUISITION AND THE PROPERTY

Reference is made to the voluntary announcement of the Company dated 11 December 2024 in relation to the proposed Acquisition.

The Board is pleased to announce that on 28 July 2025, the Purchaser, a subsidiary of the Company, and the Vendor entered into the Acquisition Agreement. Pursuant to the Acquisition Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Property free from any encumbrance. The Consideration for the Property is agreed at RMB724.20 million (equivalent to approximately HK\$803.21 million, exclusive of tax), which will be settled in cash in seven stages. The Consideration was agreed after arm's length negotiations between the Purchaser and the Vendor by reference to (i) the estimated market value of the Property pursuant to the Valuation, and (ii) the fees charged by the Vendor for completion of the Conversion Works.

The Acquisition and converting the Property into a 3-star hotel would allow SJM Resorts to expand its market reach by attracting a new segment of budget-conscious travelers. This would diversify the portfolio of the Group, expanding its reach into the mass market and increasing overall revenue streams. The strategic location in Hengqin, close to Macau and with access to the market in Mainland China, offers significant growth potential. Further, operating a 3-star hotel could lead to lower operating costs and potential cost synergies, while leveraging the Group's established brand to attract guests.

LISTING RULES IMPLICATIONS

The Vendor is a connected person of the Company by virtue of a Director, Ms. Ho's family interest having control of more than 50% in the voting power of STHL which owns 100% equity interest in the Vendor. Accordingly, the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 0.1% but fall below 5%, the Acquisition is subject to reporting and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(A) INTRODUCTION

Reference is made to the voluntary announcement of the Company dated 11 December 2024 in relation to the proposed Acquisition. The Board is pleased to announce that on 28 July 2025, the Purchaser, a subsidiary of the Company, and the Vendor entered into the Acquisition Agreement. Pursuant to the Acquisition Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Property free from any encumbrance at the Consideration of RMB724.20 million (equivalent to approximately HK\$803.21 million, exclusive of tax) in cash.

(B) THE ACQUISITION

Acquisition Agreement

Set out below is a summary of the key terms of the Acquisition Agreement:

Date: 28 July 2025

Parties: (i) the Vendor; and
(ii) the Purchaser.

The Vendor is an indirect wholly-owned subsidiary of STHL in which more than 50% of the voting power is controlled by the family interests of Ms. Ho, being a Director.

STHL is an investment holding company and ST Group is principally engaged in a number of business activities including property development, investment and management, hospitality and leisure, transportation and investments.

The principal activity of the Company is investment holding whilst its operating subsidiaries are principally engaged in the development and operations of casinos and related facilities, and hotel, catering, retail, leasing and related services in Macau.

Property to be acquired

The Property consists of strata office units on 12 floors at the office tower and a retail unit in the Project which is a mixed-use development now known as Xin De Kou An Shang Wu Zhong Xin* (信德口岸商務中心) situated at No. 28 Xinde Jie, Hengqin New District, Zhuhai (珠海市橫琴新區信德街28號), consisting of office, hotel, retail and apartment units, and located north of the border-gate of Hengqin. The Property's total gross area is approximately 19,781 square metres.

Consideration

The Consideration is agreed at RMB724.20 million (equivalent to approximately HK\$803.21 million exclusive of tax) in cash. The Consideration is agreed after arm's length negotiations between the Purchaser and the Vendor by reference to (i) the estimated market value of the Property of RMB660.47 million (equivalent to approximately HK\$732.53 million) as at 23 June 2025 as appraised by Savills (Macau) Limited, an independent professional valuer pursuant to the Valuation, and (ii) the fees of RMB108.50 million (equivalent to approximately HK\$120.34 million) charged by the Vendor for completion of the Conversion Works which was determined after arm's length negotiations between the Vendor and the Purchaser by reference to independent market benchmarks and professional input from external consultants, the scope of works, prevailing market conditions and fees typically associated with similar projects, and the Vendor's qualifications and track record.

The Consideration will be settled in cash in seven stages as follows:

- (i) RMB30.80 million (equivalent to approximately HK\$34.16 million) payable by the Project Company within 10 business days after incorporation of the Project Company, the opening of bank account and completion of foreign exchange registration or within three months from the date of the Acquisition Agreement, whichever is later;
- (ii) RMB123.10 million (equivalent to approximately HK\$136.53 million) payable by 30 June 2026 or within 10 business days after the Vendor having completed the Withdrawal Application, whichever is later;
- (iii) RMB92.40 million (equivalent to approximately HK\$102.48 million) payable by 15 July 2026 or within 10 business days after completion of Online Registration and after submission of application for title transfer of the Property to the competent authority, whichever is later;
- (iv) RMB92.40 million (equivalent to approximately HK\$102.48 million) payable by 30 September 2026 or within 10 business days after Completion, whichever is later;

- (v) RMB277.00 million (equivalent to approximately HK\$307.22 million) payable by 31 January 2027 or within 10 business days after obtaining all necessary approvals for hotel conversion of the Property by the Project Company, whichever is later;
- (vi) RMB54.25 million (equivalent to approximately HK\$60.17 million) payable by 31 July 2027 or within six months after commencement of Conversion Works, whichever is later; and
- (vii) the remaining balance of RMB54.25 million (equivalent to approximately HK\$60.17 million) payable by 31 January 2028 or within 10 business days after completion and acceptance of the Conversion Works and handover of the Property by the Vendor to the Purchaser, whichever is later.

The Consideration is expected to be funded by the Group's internal resources, existing banking facilities, and/or other appropriate financing arrangements.

Based on the information provided by the Vendor, (i) the original acquisition cost of the Property is not applicable as the Project was developed by the Vendor, and the original acquisition cost of the relevant land use rights of the Project was approximately RMB751.96 million (equivalent to approximately HK\$834.00 million); and (ii) as at the date of this announcement, the Property was in bare shell condition and had not generated any rental income since the establishment of the Project.

Incorporation of the Project Company

SJM Investment will use its best efforts to establish a company incorporated in the People's Republic of China as the Project Company within two months after signing of the Acquisition Agreement and will ensure that the Project Company will join the Acquisition Agreement as if it were an original party thereto within five days after incorporation.

Vendor's conversion application

Following execution of the Acquisition Agreement, the Project Company will furnish preliminary design plans and drawings (not exceeding 250 guest rooms) for the Conversion Works to the Vendor and the Vendor will submit an application to the relevant government authorities of the In-Depth Cooperation Zone to temporarily convert the Property into a hotel. This application must include the intention to sell the Property to the Purchaser, who will operate the hotel.

After obtaining the initial approvals from each of the Economic Development Bureau and the Urban Planning and Construction Bureau of the In-Depth Cooperation Zone, the Vendor will obtain detailed design approvals for the Conversion Works from the relevant authorities (construction, fire safety, civil defense, and etc., if any) of the In-Depth Cooperation Zone and obtain a review certificate from a third-party designated review company.

Before receiving final approval from the executive committee of In-Depth Cooperation Zone, the Vendor will obtain the above initial approvals and review certificate, and complete the Withdrawal Application by 30 June 2026, or 10 months after the Purchaser provides the initial designs for Conversion Works to the Vendor, whichever is later, except if the Vendor is delayed in obtaining the above initial approvals and review certificate or completing the Withdrawal Application due to government approval, the deadline will be extended accordingly.

The above procedures are necessary in order to provide assurance before Completion to the Purchaser on the likelihood of temporary conversion into a hotel as the executive committee of In-Depth Cooperation Zone will only grant the final approval of temporary conversion into a hotel to the registered owner of the Property which will be prohibited from terminating the temporary hotel use or conducting any Property rights transactions for eight years after obtaining the said final approval in accordance with the applicable rules and regulations.

Conditions precedent to Online Registration

The Online Registration pursuant to the terms of the Acquisition Agreement is subject to the following conditions precedent:

- (1) the Purchaser has made the first two stage payments of the Consideration;
- (2) the Vendor has obtained all necessary approvals and met all applicable requirements for the Acquisition under the Listing Rules;
- (3) the Purchaser has obtained all necessary approvals and has met all applicable requirements for the Acquisition under the Listing Rules;
- (4) the Vendor has obtained the Filing Certificate of Sale of Existing Houses (現房銷售備案證明文件) in respect of the Acquisition;
- (5) the Vendor has obtained relevant approvals, review certificate and completed the Withdrawal Application and no new policies or revisions to existing regulations regarding the conversion of idle buildings into hotels which materially affect the Acquisition are issued by relevant authorities in the In-Depth Cooperation Zone thereafter; and
- (6) the Purchaser and its professional advisers have completed due diligence on the Property to the satisfaction of the Purchaser.

For the avoidance of doubt, none of the above conditions can be waived by the parties, save that the Vendor is entitled to waive the above condition (1) whereas the Purchaser is entitled to waive the above conditions (5) and (6).

Completion

Completion is subject to the satisfaction of the following conditions precedent:

- (a) completion of the Online Registration;
- (b) the Purchaser has paid a value-added tax equivalent to 5% of the Consideration to the Vendor; and
- (c) the conditions precedent for Online Registration set out above continue to be satisfied at the time of the completion of the above conditions (a) and (b).

Completion is expected to take place within 60 days after satisfaction of the above conditions and upon obtaining the real estate legal title certificate(s) with the Project Company being the registered owner of the Property.

Purchaser's conversion application

After Completion, the Vendor will assist the Purchaser in submitting the conversion application and related materials to the relevant government authorities including the Economic Development Bureau and the Urban Planning and Construction Bureau, and obtaining final approval from the executive committee of In-Depth Cooperation Zone as well as the relevant construction work commencement permit relating to the Conversion Works. The final approval and the relevant construction work commencement permit are expected to be obtained by 31 January 2027, or within seven months after Completion (whichever is later).

Conversion Works

Subject to Completion and having obtained the relevant construction work commencement permit, the Vendor will be authorized by the Purchaser to manage and carry out the Conversion Works which are expected to complete within 12 months after obtaining the relevant construction work commencement permit in respect of the construction project, provided that completion of Conversion Works may be postponed on account of force majeure event(s) or design changes requested by the Purchaser.

Termination

The Acquisition Agreement may be terminated under the following circumstances:

- (i) If the relevant government approvals are not obtained, and/or if other necessary documents, review certificates and Withdrawal Application are not received or completed within the stipulated timeframes set out in the Acquisition Agreement, or for any reasons such as change in laws or policies that will prevent the Property from being converted into a hotel, either party may terminate the agreement after providing written notice to the other party. If both parties are not in breach or both parties are in breach, they will not be liable for damages, and all payments made will be refunded by the Vendor to the Purchaser. However, if termination is due to one party's breach, the breaching party will be liable for liquidated damages equivalent to 5% of the Consideration, and all payments made by the Purchaser after deducting any such liquidated damages, where applicable, will be refunded by the Vendor to the Purchaser.
- (ii) Other than provided in (i) above under this section, if either party unilaterally requests cancellation of the proposed transaction or termination of the Acquisition Agreement before Completion, the Acquisition Agreement will be terminated. In such cases, the terminating party will be liable for liquidated damages equivalent to 5% of the Consideration, and all payments made by the Purchaser after deducting any such liquidated damages, where applicable, will be refunded by the Vendor to the Purchaser.
- (iii) In the event the Withdrawal Application is completed and the conditions precedent for Completion are met and the Purchaser refuses to cooperate with the property transfer for any reasons other than reasons such as changes in laws or policies that will prevent the Property from being converted into a hotel, the Vendor has the right to require the Purchaser to proceed with Completion or terminate the agreement. If the Acquisition Agreement is so terminated, the Purchaser agrees to indemnify the Vendor for losses due to such termination which shall not exceed 10% of the Consideration.

Elevators and car parks

Upon Completion, the Vendor shall provide four elevators for the exclusive use of the Purchaser and grant the right of use of 60 car parking spaces located in the Project to the Purchaser free of charge until the Purchaser ceases to own the Property. The Purchaser shall be entitled to return the right of use of such car parking spaces to the Vendor with three months' prior written notice.

(C) VALUATION

The Valuation of the Property was conducted by the Valuer, Savills (Macau) Limited, an independent professional valuer, in accordance with the latest edition of the RICS Valuation — Global Standards issued by the Royal Institution of Chartered Surveyors and the International Valuation Standards issued by the International Valuation Standards Council.

According to the Valuer, the direct comparison method was adopted given the presence of an active market with sufficient transaction data for similar properties. In preparing the Valuation, the Valuer identified a range of market comparables based on their similarity to the Property in terms of property type, location, size, building age, and quality, with appropriate adjustments to account for differences in attributes.

The principal assumptions made by the Valuer for the Valuation include, among other things: (i) good legal title and free transferability of the Property; (ii) presence of consents, approvals and licences from relevant government authorities for the Property; (iii) free of encumbrances; and (iv) the Property to be sold in the open market in its existing state.

The total market value of the Property according to the Valuation is RMB660.47 million (equivalent to approximately HK\$732.53 million), based on a valuation benchmark date of 23 June 2025.

(D) REASONS FOR AND BENEFITS OF THE ACQUISITION

In May 2024, the Hengqin-Macau multiple-entry visa policy was implemented for Mainland Chinese package tours, allowing multiple round trips to Macau within a week. Starting from January 2025, residents and holders of residence permits of the In-Depth Cooperation Zone can apply for “multiple-entry permits”, enabling unlimited trips to Macau for one year, with each stay capped at seven days. These initiatives are anticipated to significantly boost hotel demand in Hengqin.

Capitalizing on a policy from the executive committee of In-Depth Cooperation Zone in July 2024, which permits the conversion of commercial buildings into hotels, the Property is intended to be transformed into a 3-star hotel. Further, the Acquisition will not only become one of SJM Resorts’ non-gaming projects but also reflects the Group’s dedication in supporting economic and tourism product diversification in Macau.

The Property has been chosen due to its strategic location, offering (i) proximity: around 5 minutes' walk to the 24-hour Hengqin Port Joint Inspection Building and around 10 minutes' drive to Cotai and around 30 minutes' drive to the center of Macau, (ii) complementary development: the Property is part of a mixed-use development with various amenities, (iii) efficient conversion: the actual conversion and renovation site works for conversion from commercial building to hotel is expected to take approximately 24 months; and (iv) synergy with the existing operations of the Group: the 3-star hotel will complement SJM Resort's existing 5-star hotels such as Grand Lisboa Palace and Grand Lisboa (which are around 10 minutes' drive and around 30 minutes' drive from the Property, respectively) and capitalize on the expected high demand for budget-friendly accommodation.

The Acquisition and converting the Property into a 3-star hotel would allow SJM Resorts to expand its market reach by attracting a new segment of budget-conscious travelers. This would diversify the portfolio of the Group, expanding its reach into the mass market and increasing overall revenue streams. The strategic location in Hengqin, close to Macau and with access to the market in Mainland China, offers significant growth potential. Further, operating a 3-star hotel could lead to lower operating costs and potential cost synergies, while leveraging the Group's established brand to attract guests.

To ensure efficient and high-quality management and execution, the Purchaser will engage the Vendor, the developer and the owner of the Project, to conduct the Conversion Works after Completion due to its proven track record of having successfully built a 4-star hotel in the same development.

The Board (excluding the Abstained Directors but including the independent non-executive Directors) is of the view the terms of the Acquisition Agreement are on normal commercial terms and fair and reasonable and that the Acquisition is in the interests of the Company and the Shareholders as a whole.

(E) LISTING RULES IMPLICATIONS

The Vendor is a connected person of the Company by virtue of a Director, Ms. Ho's family interests, having control of more than 50% in the voting power of STHL which owns 100% equity interest in the Vendor. Accordingly, the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 0.1% but fall below 5%, the Acquisition is subject to reporting and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors confirmed that, save for the Abstained Directors, none of them have a material interest in the Acquisition Agreement and the transaction contemplated thereunder. The Abstained Directors were physically absent from the relevant Board meeting of the Company while the relevant resolution approving the Acquisition Agreement and the transaction contemplated thereunder was being discussed and voted on by the other Directors, and the Abstained Directors also abstained from voting on the relevant resolution.

(F) DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Abstained Directors”	Ms. Ho, Mr. Shum Hong Kuen, David and Mr. Ho Hau Chong, Norman, who are regarded as having a material interest in the transaction contemplated under the Acquisition Agreement in view of their interests in ST Group, were absent from the relevant Board meeting of the Company while the relevant resolution was being discussed and have abstained from voting on the Board resolution on such transaction
“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor together with the Conversion Works as contemplated under the Acquisition Agreement
“Acquisition Agreement”	the transfer agreement dated 28 July 2025 entered into between the Vendor and the Purchaser in respect of the Acquisition
“Board”	the board of directors of the Company
“Company”	SJM Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 880)
“Completion”	completion of the Acquisition, i.e. completion of transfer of ownership of the Property upon obtaining the real estate title certificate(s) with the Project Company being the registered owner of the Property
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of RMB724.20 million (equivalent to approximately HK\$803.21 million, exclusive of tax) for the Acquisition

“Conversion Works”	conversion works on the Property to be conducted by the Vendor in accordance with the standards and scope of works set out in the Acquisition Agreement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hengqin”	an island that lies mostly in Zhuhai, a special economic zone in Guangdong Province of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“In-Depth Cooperation Zone”	Hengqin Guangdong-Macao In-Depth Cooperation Zone (橫琴粵澳深度合作區)
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the People’s Republic of China
“Ms. Ho”	Ms. Ho Chiu Fung, Daisy, the Chairman of the Board and an Executive Director
“Online Registration”	signing the corresponding commercial housing sales contracts for the Property and complete the corresponding online signing and filing procedures
“Project”	a mixed-use development comprising office, hotel, retail and apartment units located on the north of border gate of Hengqin with registration no. 宗地號 440402014001GB00158, and now known as Xin De Kou An Shang Wu Zhong Xin* (信德口岸商務中心) situated at No. 28 Xinde Jie, Hengqin New District, Zhuhai (珠海市橫琴新區信德街28號), the People’s Republic of China
“Project Company”	a wholly-owned subsidiary to be incorporated by SJM Investment, a subsidiary of the Company and SJM Resorts and is expected to join as a purchaser to the Acquisition Agreement after its incorporation

“Property”	the strata office units on 12 levels from Level 21 to Level 29 and Level 31 to Level 33 of the Office Tower at No. 59, Jilin Road, Hengqin New District, Zhuhai (珠海市橫琴新區吉臨路59號) with a total gross floor area of approximately 19,651 square metres and a retail unit now marked as shop no.126 at No. 28 Xinde Jie, Hengqin New District, Zhuhai (珠海市橫琴新區信德街28號) with a total gross floor area of approximately 130 square metres in the Project
“Purchaser”	SJM Investment and/or the Project Company
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Share(s)”	the ordinary share(s) in the share capital of the Company
“SJM Investment”	SJM – Investimentos Limitada (in Portuguese) SJM – Investment Limited (in English), a limited liability company by quotas incorporated under the laws of Macau and a wholly-owned subsidiary of SJM Resorts and an indirect subsidiary of the Company
“SJM Resorts”	SJM Resorts, S.A. (in Portuguese) SJM Resorts, Limited (in English) (name changed from Sociedade de Jogos de Macau, S.A. since 9 June 2021), a limited liability company by shares “ <i>sociedade anónima</i> ” incorporated under the laws of Macau and a subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“ST Group”	STHL and its subsidiaries from time to time
“STHL”	Shun Tak Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 242)
“Valuation”	the valuation of the Property prepared by the Valuer
“Valuer”	Savills (Macau) Limited, an independent professional valuer
“Vendor”	Zhuhai Hengqin Shun Tak Property Development Company Limited* (珠海橫琴信德房地產開發有限公司), a company incorporated in the People’s Republic of China with limited liability and a wholly-owned subsidiary of STHL

“Withdrawal
Application”

application to withdraw the hotel conversion applications from the relevant authorities by the Vendor before receiving final approval from the executive committee of In-Depth Cooperation Zone. For the avoidance of doubt, the Purchaser will submit applications for the hotel conversion approvals after Completion in accordance with the relevant guidance and guidelines issued by the relevant authorities in the In-Depth Cooperation Zone based on the materials submitted previously by the Vendor to expedite the process

“%”

per cent.

* *for identification purpose only*

For the purposes of this announcement, the translation of RMB into HK\$ is based on an approximate exchange rate of RMB1.00 = HK\$1.1091. Such translation should not be construed as a representation that the amount in question has been, could have been, or can be converted at this rate or any other rates at all.

By order of the Board of
SJM Holdings Limited
Kwok Shuk Chong
Company Secretary

Hong Kong, 28 July 2025

As at the date of this announcement, the executive directors of the Company are Ms. Ho Chiu Fung, Daisy, Mr. Fok Tsun Ting, Timothy, Deputada Leong On Kei, Angela, Dr. Chan Un Chan and Mr. Shum Hong Kuen, David; the non-executive director of the Company is Mr. Tsang On Yip, Patrick; and the independent non-executive directors of the Company are Mr. Ho Hau Chong, Norman, Ms. Wong Yu Pok, Marina and Mr. Yeung Ping Leung, Howard.